



January 27, 2006

Hospital prosecution to be deferred

Roger Williams Medical Center agrees to cooperate with the government and to provide \$4,000,000 worth of free health care to the public

The U. S. Attorney's Office has agreed to defer prosecution of Roger Williams Medical Center on public corruption charges. In return, Roger Williams has agreed to accept responsibility for the conduct of two former executives, provide \$4,000,000 worth of free health care to the public, tighten its ethical standards for dealing with public officials, and cooperate with the government in ongoing criminal proceedings.

United States Attorney Robert Clark Corrente announced the agreement, which was filed today in U.S. District Court, Providence. U.S. Attorney Corrente advised Chief U.S. District Court Judge Ernest C. Torres of the agreement prior to filing it.

U.S. Attorney Corrente said the agreement is the first of its kind in Rhode Island. "We think that it accomplishes for the hospital the important goals of acknowledging and accepting responsibility, and implementing serious ethical reforms, while allowing the hospital to get on with the business of fulfilling its vital role in Rhode Island's health care system, as it has done for over 125 years, and preserving the livelihood of hundreds of very dedicated professionals."

On January 5, a federal grand jury returned an indictment charging Roger Williams, its chief executive, **Robert A. Urciuoli**, former executive **Frances P. Driscoll**, and **Peter J. Sangermano, Jr.**, a principal in an affiliated assisted living facility, on charges that they corruptly employed Rhode Island Senator John Celona to advance the interests of Roger Williams Medical Center in the General Assembly.

The U.S. Attorney has agreed to defer prosecution of the Medical Center for at least two years and to two provisions:

- At the end of the two-year period, if the hospital has fully complied with the terms of the agreement, to move to dismiss the charges against Roger Williams;
- To recommend to the U.S. Department of Health and Human Services that Roger Williams not be barred from participating in state or federal health care programs, such as Medicare and Medicaid;

Roger Williams has agreed to the following terms:

- It admits that the government has sufficient evidence to prove that Urciuoli and Driscoll committed the offenses charged in the indictment;
- It admits that the actions of Urciuoli and Driscoll were done within their “apparent authority as executives of RWMC” and were done to benefit the medical center;
- It agrees to fully cooperate with the U.S. Attorney in any proceedings about which Roger Williams has information;
- It agrees to provide an additional \$4,000,000 of free health care to the public, over and above the current level of free care that it provides;
- It will permanently maintain an “Executive Ethics Officer,” who will work to strengthen the medical center’s ethics compliance program as it relates to dealings with public officials; the ethics officer will also conduct ethics training for every hospital employee;
- It will report in writing to the U.S. Attorney at regular intervals detailing its compliance with the agreement;

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- It will submit to oversight by a monitor who will ensure its compliance with the agreement. Roger Williams will pay for the monitor.

If, the medical center fails to fully comply with the agreement, the U.S. Attorney can either extend the monitoring and deferral period or to pursue the criminal charges brought against Roger Williams in the indictment.

The indictment returned on January 5 charges Urciuoli, Driscoll and Sangermano with conspiring to defraud Rhode Island citizens of their right to Celona's honest services and using the mails to do so. It alleges that they devised a ruse to have Roger Williams pay Celona as a consultant for the Village at Elmhurst so Roger Williams could use him to influence legislation and other matters. The agreement with Roger Williams Medical Center has no effect on the charges against Urciuoli, Driscoll, and Sangermano. An indictment is merely an allegation and a defendant is presumed innocent unless and until proven guilty.

The Federal Bureau of Investigation and the Rhode Island State Police conducted the investigation that resulted in the indictment. Assistant U.S. Attorneys Gerard B. Sullivan, Luis M. Matos, Dulce Donovan and Terrence P. Donnelly are prosecuting this and related cases.

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